



# FY2017 Consolidated Financial Results

(Fiscal year ended March 31, 2018)

April 27, 2018

## Sony Corporation

### FY2017 Consolidated Results

(Bln Yen, Mln US dollar)

	FY16	FY17	Change	FY17 USD Amount <sup>*1</sup>
Sales & operating revenue	7,603.3	<b>8,544.0</b>	+940.7 bln yen (+12.4%)	\$77,042
Operating income	288.7	<b>734.9</b>	+446.2 bln yen (+154.5%)	6,626
Income before income taxes	251.6	<b>699.0</b>	+447.4 bln yen (+177.8%)	6,303
Net income attributable to Sony Corporation's stockholders	73.3	<b>490.8</b>	+417.5 bln yen (+569.7%)	4,426
Net income attributable to Sony Corporation's stockholders per share of common stock (diluted)	56.89 yen	<b>379.75 yen</b>	+322.86 yen	3.42 USD
Restructuring charges <sup>*2</sup>	60.2	<b>22.4</b>	-62.8%	202
Additions to long-lived assets <sup>*3</sup>	272.2	<b>332.1</b>	+22.0%	2,995
Depreciation and amortization <sup>*4</sup>	327.0	<b>361.4</b>	+10.5%	3,259
Research and development expenses	447.5	<b>458.5</b>	+2.5%	4,135
Average rate			<b>Dividend per Share</b>	
1 US dollar	108.4 yen	<b>110.9 yen</b>	<b>Interim</b> 12.5 yen	
1 Euro	118.8 yen	<b>129.7 yen</b>	<b>Year-end</b> 15 yen	
			<b>Full year</b> 27.5 yen	

<sup>\*1</sup> US dollar amounts have been translated from yen, for convenience only, using the average rate listed on this slide

<sup>\*2</sup> Restructuring charges are included in operating income as operating expenses (applies to all following pages)

<sup>\*3</sup> Does not include the increase in intangible assets resulting from acquisitions (applies to all following pages)

<sup>\*4</sup> Includes amortization expenses for intangible assets and for deferred insurance acquisition costs (applies to all following pages)

## Q4 FY2017 Consolidated Results

(Bln Yen, Min US Dollar)

	Q4 FY16	Q4 FY17	Change	Q4 FY17 USD Amount
Sales & operating revenue	1,903.6	<b>1,951.0</b>	+47.4 bln yen (+2.5%)	\$17,998
Operating income	94.4	<b>22.2</b>	-72.2 bln yen (-76.5%)	205
Income before income taxes	87.9	<b>8.5</b>	-79.4 bln yen (-90.4%)	78
Net income attributable to Sony Corporation's stockholders	27.7	<b>-16.8</b>	-44.5 bln yen (-)	-155
Net income attributable to Sony Corporation's stockholders per share of common stock (diluted)	21.45 yen	<b>-13.30 yen</b>	-34.75 yen	-0.12 USD
Restructuring charges	20.8	<b>15.3</b>	-26.6%	141
Additions to long-lived assets	84.0	<b>94.1</b>	+12.0%	868
Depreciation and amortization	67.5	<b>103.3</b>	+53.0%	953
Research and development expenses	122.3	<b>132.1</b>	+8.0%	1,219
Average rate				
1 US dollar	113.7 yen	<b>108.4 yen</b>		
1 Euro	121.1 yen	<b>133.2 yen</b>		

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## Adjusted Operating Income

	Operating Income	Adjusted Operating Income	Adjusted Operating Income excludes the following items <sup>*1</sup>
<b>FY16</b>	288.7 bln yen	<b>471.9 bln yen</b>	<ul style="list-style-type: none"> <li>■ Impairment charge of goodwill in the Pictures segment (-112.1 bln yen)</li> <li>■ Impact of the Kumamoto Earthquakes<sup>*2</sup> (-42.1 bln yen)</li> <li>■ Impairment charge related to the transfer of the battery business (-42.3 bln yen)</li> <li>■ Impairment charge against long-lived assets resulting from the termination of the development and manufacturing of certain high-functionality camera modules for external sale (-23.9 bln yen)</li> <li>■ Gain on the sale of certain shares of M3, Inc. ("M3") (+37.2 bln yen)</li> </ul>
<b>FY17</b>	734.9 bln yen	<b>709.5 bln yen</b>	<ul style="list-style-type: none"> <li>■ Impairment charge against long-lived assets in the MC segment (-31.3 bln yen)</li> <li>■ Gain resulting from the sale of the entire equity interest in a manufacturing subsidiary in the camera module business (+28.3 bln yen)</li> <li>■ Gain resulting from the sale of real estate held by a subsidiary in the Music segment (+10.5 bln yen)</li> <li>■ Insurance recoveries relating to the Kumamoto Earthquakes (+9.3 bln yen)</li> <li>■ Gain resulting from the sale of manufacturing equipment in the Semiconductors segment (+8.6 bln yen)</li> </ul>
<b>Change from FY16</b>	+446.2 bln yen	<b>+237.6 bln yen</b> (+50.3%)	

<sup>\*1</sup> These monetary amounts are disclosed in the Quarterly Financial Statements, the Presentation Slides and the Quarterly Securities Reports for the relevant quarters

<sup>\*2</sup> Net result of physical damage and opportunity losses offset by insurance recoveries, both of which resulted from the 2016 Kumamoto Earthquakes

Adjusted operating income is not a measure in accordance with U.S. GAAP. However, Sony believes that this disclosure may be useful information to investors.

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## Adjusted Operating Income (Q4)

	Operating Income	Adjusted Operating Income	Adjusted Operating Income excludes the following items <sup>*1</sup>
Q4 FY16	94.4 bln yen	67.1 bln yen	<ul style="list-style-type: none"> <li>Gain on the sale of certain shares of M3 (+37.2 bln yen)</li> <li>Impairment charge related to the transfer of the battery business (-9.5 bln yen)</li> <li>Impact of the Kumamoto Earthquakes<sup>*2</sup> (-0.4 bln yen)</li> </ul>
Q4 FY17	22.2 bln yen	41.2 bln yen	<ul style="list-style-type: none"> <li>Impairment charge against long-lived assets in the MC segment (-31.3 bln yen)</li> <li>Gain resulting from the sale of real estate held by a subsidiary in the Music segment (+10.5 bln yen)</li> <li>Gain resulting from the sale of manufacturing equipment in the Semiconductors segment (+1.9 bln yen)</li> </ul>
Change from FY16	-72.2 bln yen	-25.9 bln yen (-38.6%)	

<sup>\*1</sup> These monetary amounts are disclosed in the Quarterly Financial Statements (previously known as the "Quarterly Earnings Release"), the Presentation Slides (previously known as the "Handout") and the Quarterly Securities Reports for the relevant quarters

<sup>\*2</sup> Net result of physical damage and opportunity losses offset by insurance recoveries, both of which resulted from the 2016 Kumamoto Earthquakes

Adjusted operating income is not a measure in accordance with U.S. GAAP. However, Sony believes that this disclosure may be useful information to investors.

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## FY2017 Results by Segment [Reclassified]

(Bln Yen)

		FY16	FY17	Change	FX Impact
Game & Network Services (G&NS)	Sales	1,649.8	1,943.8	+294.0	+82.5
	Operating income	135.6	177.5	+41.9	+19.8
Music	Sales	647.7	800.0	+152.3	+9.0
	Operating income	75.8	127.8	+52.0	
Pictures	Sales	903.1	1,011.1	+107.9	+17.9
	Operating income	-80.5	41.1	+121.6	
Home Entertainment & Sound (HE&S)	Sales	1,039.0	1,222.7	+183.7	+56.4
	Operating income	58.5	85.8	+27.3	+22.8
Imaging Products & Solutions (IP&S)	Sales	579.6	655.9	+76.3	+22.9
	Operating income	47.3	74.9	+27.7	+11.6
Mobile Communications (MC)	Sales	759.1	723.7	-35.4	+16.1
	Operating income	10.2	-27.6	-37.8	-5.3
Semiconductors	Sales	773.1	850.0	+76.9	+20.8
	Operating income	-7.8	164.0	+171.8	+11.7
Financial Services	Revenue	1,087.5	1,228.4	+140.9	
	Operating income	166.4	178.9	+12.5	
All Other	Sales	450.5	407.2	-43.3	
	Operating income	-29.6	-23.5	+6.1	
Corporate and elimination	Sales	-286.2	-298.8	-12.6	
	Operating income	-87.1	-64.1	+23.0	
Consolidated total	Sales	7,603.3	8,544.0	+940.7	
	Operating income	288.7	734.9	+446.2	

<sup>\*</sup> Due to Sony's realignment of its business segments in Q1 FY2017, certain figures in FY16 have been reclassified to conform to the presentation of FY17 (applies to all following pages)

<sup>\*</sup> Sales and Revenue in each business segment represents sales and revenue recorded before intersegment transactions are eliminated. Operating income in each business segment represents

operating income reported before intersegment transactions are eliminated and excludes unallocated corporate expenses (applies to all following pages)

<sup>\*</sup> Both Sales and Revenue include operating revenue and intersegment sales (applies to all following pages)

<sup>\*</sup> For further details about the impact of foreign exchange rate fluctuations on sales and operating income (loss), see Note on page 9 of the Financial Statements for the Fiscal Year Ended March 31, 2018

(applies to all following pages)

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## Q4 FY2017 Results by Segment [Reclassified]

(Bln Yen)

		Q4 FY16	Q4 FY17	Change	FX Impact
<b>Game &amp; Network Services (G&amp;NS)</b>	Sales	381.8	444.6	+62.7	+3.1
	Operating income	22.5	19.6	-2.9	+6.7
<b>Music</b>	Sales	177.0	206.4	+29.4	-5.1
	Operating income	15.4	30.9	+15.5	
<b>Pictures</b>	Sales	302.5	300.9	-1.6	-15.4
	Operating income	33.7	32.4	-1.3	
<b>Home Entertainment &amp; Sound (HE&amp;S)</b>	Sales	214.8	235.1	+20.3	+1.1
	Operating income	-5.2	-7.3	-2.1	+6.4
<b>Imaging Products &amp; Solutions (IP&amp;S)</b>	Sales	154.9	162.4	+7.5	+0.7
	Operating income	3.8	6.9	+3.1	+1.4
<b>Mobile Communications (MC)</b>	Sales	155.9	153.0	-2.9	+0.5
	Operating income	-15.2	-44.6	-29.4	-0.2
<b>Semiconductors</b>	Sales	201.1	166.5	-34.6	-5.8
	Operating income	12.8	-1.3	-14.1	-4.0
<b>Financial Services</b>	Revenue	275.1	272.7	-2.4	
	Operating income	55.3	39.8	-15.5	
<b>All Other</b>	Sales	116.7	76.5	-40.1	
	Operating income	12.0	-17.5	-29.5	
<b>Corporate and elimination</b>	Sales	-76.3	-67.1	+9.1	
	Operating income	-40.7	-36.7	-4.0	
<b>Consolidated total</b>	Sales	1,903.6	1,951.0	+47.4	
	Operating income	94.4	22.2	-72.2	

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## FY2018 Consolidated Results Forecast

(Bln Yen, Mln US dollar)

	FY16	FY17	FY18 Forecast	Change From FY17
Sales & operating revenue	7,603.3	8,544.0	<b>8,300</b>	-244.0 bln yen (-2.9%)
Operating income	288.7	734.9	<b>670</b>	-64.9 bln yen (-8.8%)
Income before income taxes	251.6	699.0	<b>735</b>	+36.0 bln yen (+5.1%)
Net income attributable to Sony Corporation's stockholders	73.3	490.8	<b>480</b>	-10.8 bln yen (-2.2%)
Restructuring charges	60.2	22.4	<b>22</b>	-1.8%
Additions to long-lived assets	272.2	332.1	<b>360</b>	+8.4%
Depreciation and amortization	327.0	361.4	<b>360</b>	-0.4%
Research and development expenses	447.5	458.5	<b>470</b>	+2.5%
Average rate	Actual	Actual	Assumption	
1 US dollar	108.4 yen	110.9 yen	<b>Approx. 105 yen</b>	
1 Euro	118.8 yen	129.7 yen	<b>Approx. 125 yen</b>	

\* US dollar amounts have been translated from yen, for convenience only, using the average rate listed on this slide

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## FY2018 Results Forecast by Segment [Reclassified]

(Bln Yen)

		FY16	FY17	FY18 Forecast	Change from FY17
Game & Network Services (G&NS)	Sales	1,649.8	1,943.8	1,900	-43.8
	Operating income	135.6	177.5	190	+12.5
Music	Sales	647.7	800.0	750	-50.0
	Operating income	75.8	127.8	112	-15.8
Pictures	Sales	903.1	1,011.1	960	-51.1
	Operating income	-80.5	41.1	42	+0.9
Home Entertainment & Sound (HE&S)	Sales	1,039.0	1,222.7	1,150	-72.7
	Operating income	58.5	85.8	86	+0.2
Imaging Products & Solutions (IP&S)	Sales	579.6	655.9	660	+4.1
	Operating income	47.3	74.9	75	+0.1
Mobile Communications (MC)	Sales	759.1	723.7	640	-83.7
	Operating income	10.2	-27.6	-15	+12.6
Semiconductors	Sales	773.1	850.0	870	+20.0
	Operating income	-7.8	164.0	100	-64.0
Financial Services	Revenue	1,087.5	1,228.4	1,270	+41.6
	Operating income	166.4	178.9	170	-8.9
All Other, Corporate and elimination	Operating income	-116.7	-87.6	-90	-2.4
Consolidated total	Sales	7,603.3	8,544.0	8,300	-244.0
	Operating income	288.7	734.9	670	-64.9

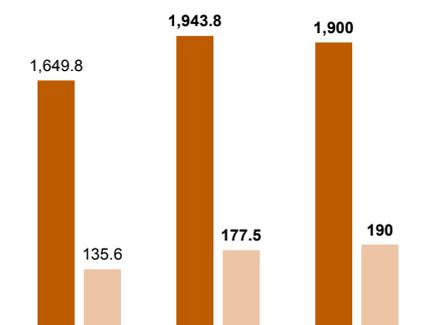
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## Game & Network Services Segment

### Sales and Operating Income

■ Sales  
■ Operating Income

(Bln Yen)



(Mln Units)

	FY16	FY17	FY18 FCT
PS4	20	19	16

### FY2017 (year-on-year)

- Sales: 294.0 bln yen (17.8%) significant increase (FX Impact: +82.5 bln yen)
  - (+) Increase in PlayStation®4 (PS4™) software sales including sales through the network
  - (+) Impact of foreign exchange rates
  - (+) Increase in the number of subscribers for PlayStation®Plus, a paid membership service
- OI: 41.9 bln yen significant increase (FX Impact: +19.8 bln yen)
  - (+) Increase in sales
  - (-) Increase in selling, general and administrative expenses

### FY2018 Forecast (year-on-year)

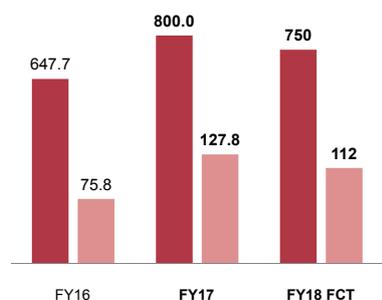
- Sales: 43.8 bln yen (2.3%) decrease
  - (-) Decrease in PS4 hardware sales
  - (-) Impact of foreign exchange rates
  - (+) Increase in PS4 software sales including sales through the network
- OI: 12.5 bln yen increase
  - (+) Increase in PS4 software sales including sales through the network
  - (-) Decrease in PS4 hardware sales

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## Music Segment

### Sales and Operating Income

■ Sales (Bln Yen)  
■ Operating Income



Recorded Music Category Revenue	388.9	447.0	-
Streaming* Revenue (included above)	140.6	197.4	-

#### FY2017 (year-on-year)

- Sales: 152.3 bln yen (23.5%) significant increase (FX Impact: +9.0 bln yen)
  - (+): Increase in Visual Media and Platform sales due to the continued strong performance of *Fate/Grand Order*, a game application for mobile devices
  - (+): Increase in Recorded Music sales due to a continued increase in digital streaming revenues
- OI: 52.0 bln yen significant increase
  - (+): Increase in sales
  - (+): Gain recorded on the sale of real estate (10.5 bln)

#### FY2018 Forecast (year-on-year)

- Sales: 50 bln yen (6.2%) decrease
  - (-): Change in accounting standards
  - (-): Impact of foreign exchange rates
- OI: 15.8 bln yen decrease
  - (-): Absence of the gain recorded on the sale of real estate in FY17 (10.5 bln)

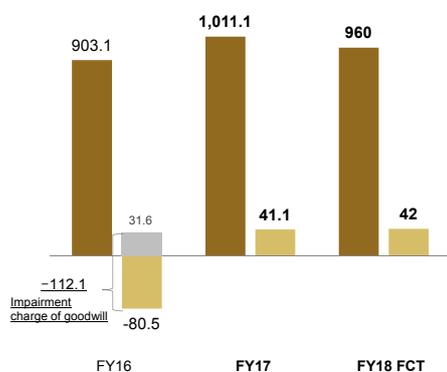
\* Streaming includes digital audio, digital video and digital radio, and includes revenue from both subscription and ad-supported services

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## Pictures Segment

### Sales and Operating Income

■ Sales (Bln Yen)  
■ Operating Income



#### FY2017 (year-on-year)

*The following analysis is on a U.S. dollar basis*

- Sales: 107.9 bln yen (12.0%) significant increase (U.S. dollar basis: +841 mil USD / +10%)
  - (+): Increase in sales for Media Networks
    - (+): Higher advertising and subscription revenues resulting from the acquisition of TEN Sports Network and improved ratings, both in India
  - (+): Increase in sales for Motion Pictures
    - (+): Strong worldwide theatrical performance of *Spider-Man: Homecoming* and *Jumanji: Welcome to the Jungle*
    - (-): Lower television licensing revenues for catalog product
  - (+): Increase in sales for Television Productions
    - (+): Higher licensing revenues for various U.S. television series
    - (-): Lower television licensing revenues for catalog product
- OI: 121.6 bln yen significant improvement
  - (+): Absence of the 962 million U.S. dollars (112.1 billion yen) impairment charge of goodwill recorded in FY16
  - (+): Increase in sales
  - (-): Operating loss from TEN Sports Network

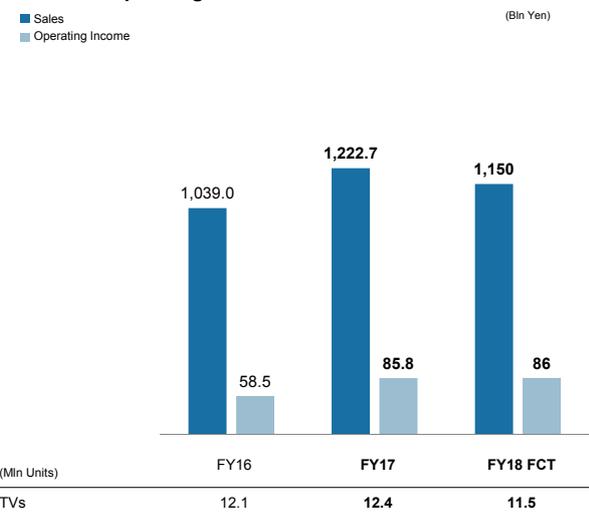
#### FY2018 Forecast (year-on-year)

- Sales: 51.1 bln yen (5.1%) decrease
  - (-): Impact of foreign exchange rates
- OI: Essentially flat year-on-year

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## Home Entertainment & Sound Segment

### Sales and Operating Income



#### FY2017 (year-on-year)

- Sales: 183.7 bln yen (17.7%) significant increase (FX impact: +56.4 bln yen)
  - (+): Improvement in the product mix of televisions reflecting a shift to high value-added models
  - (+): Impact of foreign exchange rates
- OI: 27.3 bln yen significant increase (FX Impact: +22.8 bln yen)
  - (+): Increase in sales
  - (+): Positive impact of foreign exchange rates
  - (-): Increase in research and development, marketing and other expenses

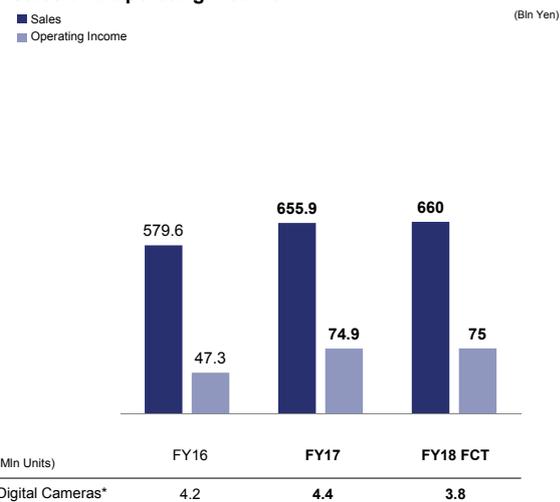
#### FY2018 Forecast (year-on-year)

- Sales: 72.7 bln yen (5.9%) decrease
  - (-): Impact of foreign exchange rates
  - (-): Decrease in television unit sales resulting from a strategic decision not to pursue scale in order to focus on profitability
- OI: Essentially flat year-on-year
  - (+): Improvement in the product mix of televisions reflecting a shift to high value-added models
  - (-): Decrease in sales

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## Imaging Products & Solutions Segment

### Sales and Operating Income



#### FY2017 (year-on-year)

- Sales: 76.3 bln yen (13.2%) significant increase (FX Impact: +22.9 bln yen)
  - (+): Absence of the impact from the Kumamoto Earthquakes in FY16
  - (+): Impact of foreign exchange rates
  - (+): Improvement in the product mix of Still and Video Cameras reflecting a shift to high value-added models
- OI: 27.7 bln yen significant increase (FX Impact: +11.6 bln yen)
  - (+): Improvement in the product mix of Still and Video Cameras
  - (+): Positive impact of foreign exchange rates
  - (+): Absence of the impact from the Kumamoto Earthquakes in FY16

#### FY2018 Forecast (year-on-year)

- Sales / OI: Essentially flat year-on-year
  - (+): Improvement in the product mix of Still and Video Cameras
  - (-): Negative impact of foreign exchange rates

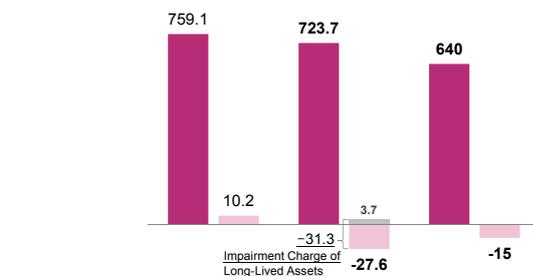
\* Includes compact digital cameras and interchangeable single-lens cameras / Excludes interchangeable lenses

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## Mobile Communications Segment

### Sales and Operating Income

■ Sales (Bln Yen)  
■ Operating Income



(Min Units)	FY16	FY17	FY18 FCT
Smartphones	14.6	13.5	10

#### FY2017 (year-on-year)

- Sales: 35.4 bln yen (4.7%) decrease (FX Impact: +16.1 bln yen)
  - (-) Decrease in smartphone unit sales
- OI: 37.8 bln yen deterioration (FX Impact: -5.3 bln yen)
  - (-) Impairment charge against long-lived assets (31.3 billion yen)
  - (-) Decrease in smartphone unit sales
  - (-) Increase in the price of key components
  - (+ ) Reduction in operating costs

#### FY2018 Forecast (year-on-year)

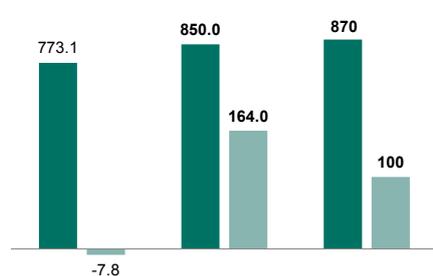
- Sales: 83.7 bln yen (11.6%) decrease
  - (-) Significant downsizing of smartphone unit sales in an effort to improve profitability
- OI: 12.6 bln yen improvement
  - (+ ) Absence of the impairment charge against long-lived assets recorded in FY17 (31.3 billion yen)
  - (+ ) Reduction in operating costs
  - (-) Decrease in smartphone unit sales

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## Semiconductors Segment

### Sales and Operating Income

■ Sales (Bln Yen)  
■ Operating Income



	FY16	FY17	FY18 FCT
Image Sensors* Sales	548.6	649.4	690
Additions to long-lived assets for Semiconductors Segment for Image Sensors* (included above)	84.0	128.1	160
	45.0	106.6	130

#### FY2017 (year-on-year)

- Sales: 76.9 bln yen (9.9%) increase (FX Impact: +20.8 bln yen)
  - (+ ) Significant increase in sales of image sensors
    - (+ ) Significant increase in unit sales of image sensors for mobile products
    - (+ ) Absence of the impact from the Kumamoto Earthquakes which resulted in a production decrease in FY16
  - (-) Significant decrease in sales of camera modules, a business which was downsized
- OI: 171.8 bln yen significant improvement (FX Impact: +11.7 bln yen)
  - (+ ) Increase in sales
  - (+ ) Impairment charge in FY16 and the sale of an equity interest in FY17, both in camera modules (52.2 bln yen)
  - (+ ) Impact of the Kumamoto Earthquakes (after insurance recoveries) (34.7 bln yen)
  - (+ ) Positive impact of foreign exchange rates
  - (+ ) Gain resulting from the sale of manufacturing equipment (8.6 bln yen)
  - (+ ) Inventory write-downs of certain image sensors for mobile products in FY16 (6.5 bln yen)

#### FY2018 Forecast (year-on-year)

- Sales: 20 bln yen (2.4%) increase
  - (+ ) Increase in unit sales of image sensors for mobile products
  - (-) Impact of foreign exchange rates
- OI: 64 bln yen significant decrease
  - (-) Increase in depreciation and amortization expenses as well as in research and development expenses
  - (-) Negative impact of foreign exchange rates
  - (-) Gain resulting from the sale of the entire equity interest in a manufacturing subsidiary in the camera module business in FY17 (28.3 bln yen)
  - (-) Gain resulting from the sale of manufacturing equipment in FY17 (8.6 bln yen)
  - (+ ) Increase in sales

\* Category changes: Image sensors with sensing capabilities previously included in Other are now integrated into the Image Sensors category

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## Semiconductors Segment Adjusted Operating Income

	Operating Income	Adjusted Operating Income	Adjusted Operating Income excludes the following items <sup>*1</sup>
<b>FY16</b>	-7.8 bln yen	<b>44.1</b> bln yen	<ul style="list-style-type: none"> <li>Impact of the Kumamoto Earthquakes<sup>*2</sup> (-28.0 bln yen)</li> <li>Impairment charge against long-lived assets resulting from the termination of the development and manufacturing of certain high-functionality camera modules for external sale (-23.9 bln yen)</li> </ul>
<b>FY17</b>	164.0 bln yen	<b>120.4</b> bln yen	<ul style="list-style-type: none"> <li>Gain resulting from the sale of the entire equity interest in a manufacturing subsidiary in the camera module business (+28.3 bln yen)</li> <li>Gain resulting from the sale of manufacturing equipment in the Semiconductors segment (+8.6 bln yen)</li> <li>Insurance recoveries related to the Kumamoto Earthquakes (+6.7 bln yen)</li> </ul>
<b>Change from FY16</b>	+171.8 bln yen	<b>+76.3</b> bln yen (-173.0%)	

<sup>\*1</sup> These monetary amounts are disclosed in the Quarterly Financial Statements (previously known as the "Quarterly Earnings Release"), the Presentation Slides (previously known as the "Handout") and the Quarterly Securities Reports for the relevant quarters

<sup>\*2</sup> Net result of physical damage and opportunity losses offset by insurance recoveries, both of which resulted from the 2016 Kumamoto Earthquakes

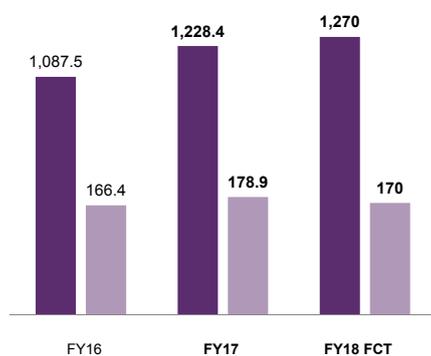
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## Financial Services Segment

### Financial Services Revenue and Operating Income

■ Financial Services Revenue (Bln Yen)  
■ Operating Income



### FY2017 (year-on-year)

- Revenue: 140.9 bln yen (13.0%) significant increase
  - (+) Increase in revenue at Sony Life (128.0 bln yen increase, revenue: 1,093.6 bln yen)
  - Higher insurance premium revenue reflecting an increase in the policy amount in force
- OI: 12.5 bln yen increase
  - (+) Increase in OI at Sony Life (4.8 bln yen increase, OI: 159.1 bln yen)
  - (+) Increase in investment performance in the general account
    - Gain recorded on the sale of real estate held for investment purposes
    - Improvement in net gains and losses on derivative transactions to hedge market risk pertaining to minimum guarantees for variable life insurance
  - (-) Increase in amortization of deferred insurance acquisition costs, primarily driven by a decrease in interest rates
  - (+) Decrease of equity in net loss of affiliated companies

### FY2018 Forecast (year-on-year)

- Revenue: 41.6 bln yen (3.4%) increase
  - (+) Increase in insurance premium revenue reflecting an increase in policy amount in force at Sony Life
- OI: 8.9 bln yen slight decrease
  - (-) Decrease in gains on the sale of assets
  - (+) Increase in insurance premium revenue

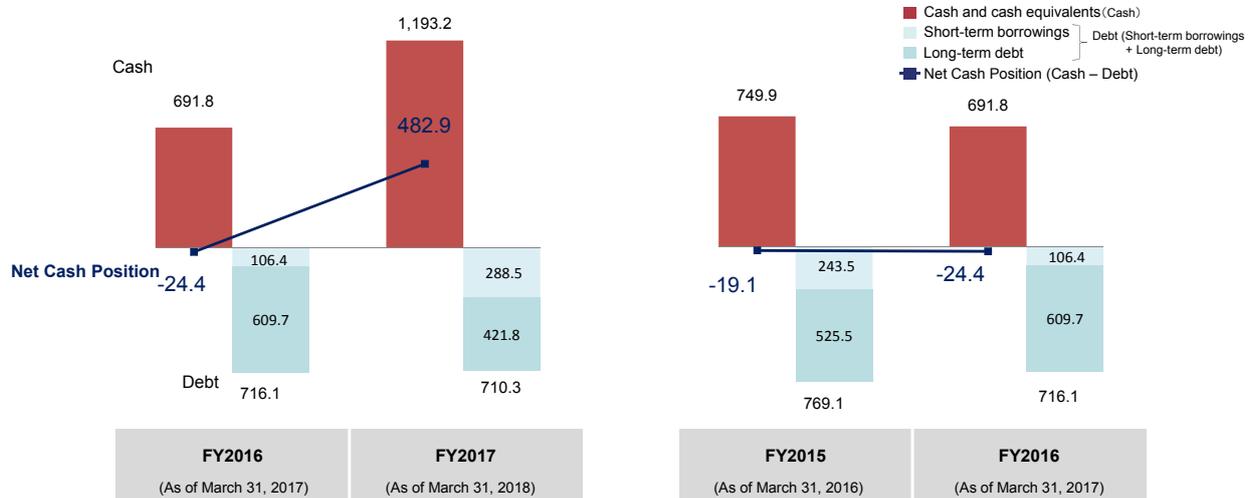
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## Cash, Debt Balance (Sony without Financial Services)

(Bln yen)

The fiscal year ended March 31, 2018

The fiscal year ended March 31, 2017

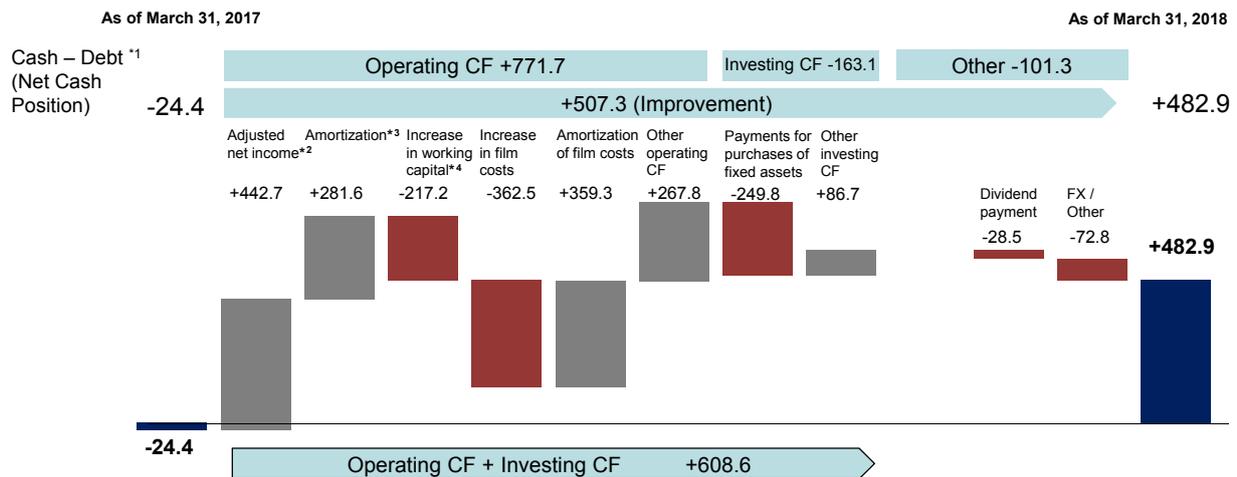


Please refer to F-14 in "FY16 Financial Statements" and F-10 in "FY17 Financial Statements" for condensed balance sheets for Sony without Financial Services

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## FY2017 Cash Flow (CF) Analysis (Sony without Financial Services)

(Bln yen)



<sup>1</sup> Please refer to P.18

<sup>2</sup> Net income (loss) + Other operating (income) expense, net + (Gain) loss on sale or devaluation of securities investments, net [Operating CF of Sony without Financial Services]

<sup>3</sup> Depreciation and amortization [Operating CF of Sony without Financial Services]

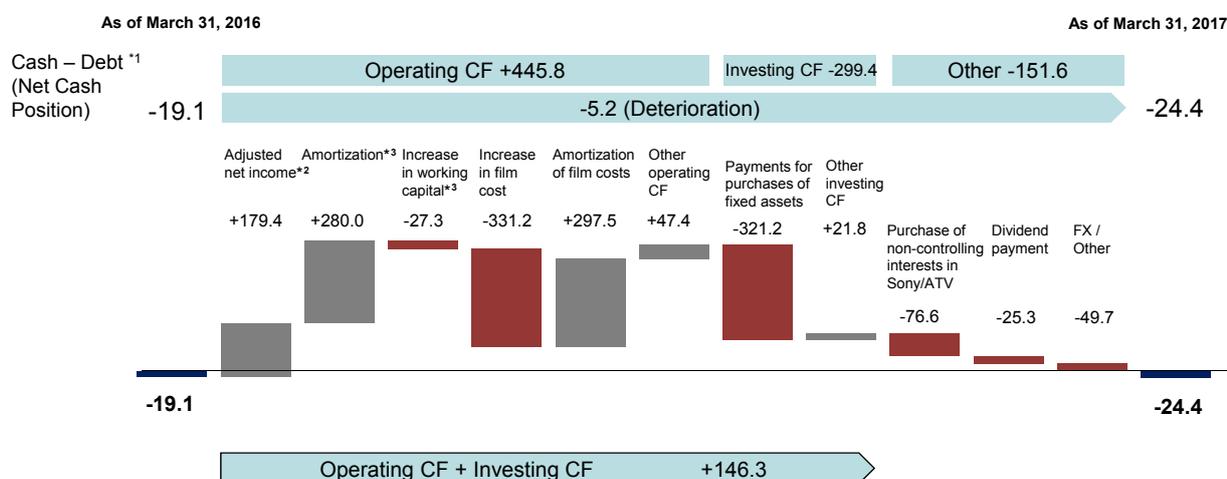
<sup>4</sup> (Increase) decrease in notes and accounts receivable, trade + (Increase) decrease of inventories + Increase (decrease) in notes and accounts payable, trade [Operating CF of Sony without Financial Services]

Please refer to F-12 for Condensed Statements of Cash Flows for Sony without Financial Services in "FY17 Financial Statements."

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## FY2016 Cash Flow (CF) Analysis (Sony without Financial Services)

(Bln yen)



\*1 Please refer to P.18

\*2 Net income (loss) + Other operating (income) expense, net + (Gain) loss on sale or devaluation of securities investments, net [Operating CF of Sony without Financial Services]

\*3 Depreciation and amortization [Operating CF of Sony without Financial Services]

\*4 (Increase) decrease in notes and accounts receivable, trade + (Increase) decrease of inventories + Increase (decrease) in notes and accounts payable, trade [Operating CF of Sony without Financial Services]

\*Please refer to F-12 for Condensed Statements of Cash Flows for Sony without Financial Services in "FY17 Financial Statements".

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## Cautionary Statement

Statements made in this presentation with respect to Sony's current plans, estimates, strategies and beliefs and other statements that are not historical facts are forward-looking statements about the future performance of Sony. Forward-looking statements include, but are not limited to, those statements using words such as "believe," "expect," "plans," "strategy," "prospects," "forecast," "estimate," "project," "anticipate," "aim," "intend," "seek," "may," "might," "could" or "should," and words of similar meaning in connection with a discussion of future operations, financial performance, events or conditions. From time to time, oral or written forward-looking statements may also be included in other materials released to the public. These statements are based on management's assumptions, judgments and beliefs in light of the information currently available to it. Sony cautions investors that a number of important risks and uncertainties could cause actual results to differ materially from those discussed in the forward-looking statements, and therefore investors should not place undue reliance on them. Investors also should not rely on any obligation of Sony to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Sony disclaims any such obligation. Risks and uncertainties that might affect Sony include, but are not limited to:

- (i) the global economic and political environment in which Sony operates and the economic and political conditions in Sony's markets, particularly levels of consumer spending;
- (ii) foreign exchange rates, particularly between the yen and the U.S. dollar, the euro and other currencies in which Sony makes significant sales and incurs production costs, or in which Sony's assets and liabilities are denominated;
- (iii) Sony's ability to continue to design and develop and win acceptance of, as well as achieve sufficient cost reductions for, its products and services, including image sensors, game and network platforms, smartphones and televisions, which are offered in highly competitive markets characterized by severe price competition and continual new product and service introductions, rapid development in technology and subjective and changing customer preferences;
- (iv) Sony's ability and timing to recoup large-scale investments required for technology development and production capacity;
- (v) Sony's ability to implement successful business restructuring and transformation efforts under changing market and regulatory conditions;
- (vi) changes in laws, regulations and government policies in the markets in which Sony operates, including those related to taxation and corporate social responsibility;
- (vii) Sony's ability to implement successful hardware, software, and content integration strategies, and to develop and implement successful sales and distribution strategies in light of new technologies and distribution platforms;
- (viii) Sony's continued ability to devote sufficient resources to research and development and, with respect to capital expenditures, to prioritize investments correctly (particularly in the electronics businesses);
- (ix) Sony's ability to maintain product quality and customer satisfaction with its products and services;
- (x) the effectiveness of Sony's strategies and their execution, including but not limited to the success of Sony's acquisitions, joint ventures and other strategic investments;
- (xi) significant volatility and disruption in the global financial markets or a ratings downgrade;
- (xii) Sony's ability to forecast demands, manage timely procurement and control inventories;
- (xiii) Sony's reliance on external business partners, including for the procurement of parts, components, software and network services for its products or services, the manufacturing, supply and distribution of its products, and its other business operations;
- (xiv) the outcome of pending and/or future legal and/or regulatory proceedings;
- (xv) shifts in customer demand for financial services such as life insurance and Sony's ability to conduct successful asset liability management in the Financial Services segment;
- (xvi) the impact of changes in interest rates and unfavorable conditions or developments (including market fluctuations or volatility) in the Japanese equity markets on the revenue and operating income of the Financial Services segment;
- (xvii) the ability of Sony, its third-party service providers or business partners to anticipate and manage cybersecurity risk, including the risk of unauthorized access to Sony's business information, potential business disruptions or financial losses; and
- (xviii) risks related to catastrophic disasters or similar events.

Risks and uncertainties also include the impact of any future events with material adverse impact.

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